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6 Attorneys for Plaintiff SYNOPSYS, INC.

7
 8 UNITED STATES DISTRICT COURT
 9 NORTHERN DISTRICT OF CALIFORNIA
 10 SAN FRANCISCO DIVISION

11 SYNOPSYS, INC.,

12 Plaintiff,

13 vs.

14 RICOH COMPANY, LTD.,

15 Defendant.

) Case No. CO3-02289 MJJ

)
) **DECLARATION OF GAL HASSON IN**
) **SUPPORT OF SYNOPSYS' OPPOSITION**
) **TO RICOH'S MOTION FOR ENTRY OF**
) **PROTECTIVE ORDER AND CROSS-**
) **MOTION FOR ADOPTION OF SYNOPSYS'**
) **PROTECTIVE ORDER AND DISCOVERY**
) **PROCEDURES**

) Date: February 10, 2004

) Time: 9:30 a.m.

) Ctrm: 11

18 I, Gal Hasson, hereby declare as follows:

19 1. I currently serve as Director of Product Marketing, Implementation Group, a position I
 20 have held for several years. I joined Synopsys in 1996 and started as a technical marketing manager
 21 for power, then I became a product marketing manager (PMM) for a subset of the Design Compiler®
 22 product, then later I became the PMM for all over the Design Compiler® before my promotion to the
 23 director position overseeing all over Design Compiler® and FPGA synthesis products. Prior to that I
 24 held a position at Motorola Semiconductor Israel as a CAD engineer/team leader for seven years. The
 25 matters set forth in this declaration are based upon my personal knowledge, except where otherwise
 26 indicated, and if called as a witness, I could and would testify competently thereto.

27 2. Synopsys competes with other software companies in the Electronic Design Automation
 28 ("EDA") software industry. This is an intensely competitive industry. Synopsys faces challenges from

1 a number of competitors, including: Cadence Design Systems, Magma Design Automation, Mentor
2 Graphics Corporation, Monterey Design Systems, and Synplicity, among others.

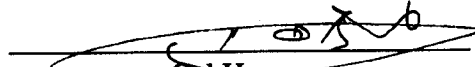
3 3. Synopsys is the leading provider of logic synthesis software, and its Design Compiler®
4 product is the most widely deployed logic synthesis product in the world. Logic synthesis software
5 allows integrated circuit designers to rely on higher-level “register transfer level” (RTL) descriptions
6 of the circuits that they wish to build and frees them from the need to worry about exactly what circuit
7 elements must be used to implement the RTL description. Instead, the logic synthesis software
8 determines how to use the “library” circuit cells offered by a semiconductor foundry or a library
9 vendor in order to construct a circuit that will implement the RTL description provided by the logic
10 designer. The quality of this transformation from RTL into library cells reflects, ultimately, the quality
11 of the algorithms used to implement this transformation. Users evaluate the quality of the logic
12 synthesis transformation based on the speed of the resulting circuit, the size of the circuit and other
13 factors such as the power consumed. Presently, the market for logic synthesis software is
14 approximately \$260M per year and of that market, the Design Compiler® software accounts for
15 \$210M of the market.

16 4. The commercial success of the Design Compiler software is due, in large part, to the
17 high quality of the circuit designs that Design Compiler generates. In order to achieve these high
18 quality results, Design Compiler utilizes a number of proprietary algorithms that Synopsys has
19 developed and improved over the approximately fifteen year period during which Design Compiler has
20 been offered as a product. Because of the commercial advantage that they confer, Synopsys treats
21 these algorithms as the most highly sensitive trade secrets. In order to protect these secrets, Synopsys
22 strictly controls who has access to the source code for its Design Compiler software.

23 5. The risks of software theft are real and grave. There have been previous well-known
24 instances of software theft in the EDA industry. Synopsys would suffer significant injury if one of its
25 competitors was to obtain access to the logic synthesis algorithms used by Design Compiler and to
26 implement similar algorithms in their own products. Design Compiler is one of Synopsys’ principal
27 “Design Implementation” software packages, and Design Implementation software contributes
28 between 40 and 50 percent of Synopsys’ annual revenues, according to Synopsys’ 2002 Annual

1 Report. If Synopsys' existing competitors or a new competitor were to gain access to the trade secrets
2 contained within Synopsys' Design Compiler product, this revenue could be threatened.

3 I declare under penalty of perjury under the laws of the United States of America that the
4 foregoing is true and correct. This declaration was executed in Mountain View, California on January
5 20, 2004.

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8 Gal Hasson
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